

SAN ANTONIO HOUSING AUTHORITY

Memorandum

Date: July 19, 2006
To: Commissioners
From: Diana Gutierrez, Director Human Resources
For: San Antonio Housing Authority
Subject: Authorization to Implement Proposed Classification and Compensation System

Board Action Date: August 6, 2006

RECOMMENDED ACTION REQUESTED:

Board approval of the Proposed Classification and Compensation System, attached as Exhibit A; and that the proposed system be implemented retroactive to the beginning of the current fiscal year, July 1, 2006.

BACKGROUND SUMMARY:

Many of our employees have expressed concerns that SAHA's existing Classification and Compensation System is inadequate in addressing the value of many job classifications that require similar or same skill, knowledge, or ability. In order to address these employees' concerns regarding individual and work group compensation, SAHA hired the consulting firm of Werling Associates, Inc., to perform an analysis, comparing SAHA's classification and compensation to similar positions in the general market place.

Werling Associates, Inc. utilized market data from the following surveys:

- 2005 San Antonio Area Wage and Benefit Survey;
- 2005 Economic Research Institute Salary Expert Compensation Service;
- 2005 Mercer Finance Accounting and Legal Compensation Survey;
- 2005 Mercer Information Technology Compensation Survey;
- 2005 Mercer Benchmark Database – Metropolitan Benchmark Positions
- 2005/2006 Industry Report on Top Management Compensation, Watson Wyatt;
- 2005/2006 Report on Professional Personnel Compensation, Watson Wyatt;
- 2004 Apartment Complex Wage Survey.

The salary surveys provided data for approximately 70% of the SAHA positions under review, including data from the City of San Antonio, Bexar County, and the State of Texas.

The Werling study included the following assumptions in assigning pay grades and ranges:

- Lead positions were assigned one (1) pay grade above the pay grade of the base positions;
- Supervisory positions were assigned three (3) pay grades above the highest pay grade supervised;
- Management positions and positions that require a Bachelor's degree were assigned to pay grade 9 or above;
- Quality Control positions were assigned to the same pay grade as lead positions;
- Positions with similar skills, knowledge, and ability requirements were consolidated into the same pay grade(s).

Utilizing the results of Werling's comparative analysis as a guide, staff recommends implementing a five-step compensation system (Exhibit A) that would start at the beginning (or minimums) of the pay grades recommended by Werling. In most instances, the staff-recommended five-step ranges would establish maximum compensation levels at Werling's recommended midpoints. This methodology provides a compensation system that is competitive enough to attract skilled employees, while not leading the market.

FINANCIAL IMPACT:

SAHA's current budget includes a budgeted amount of \$800,000 to allow for the implementation of the proposed Classification and Compensation System.

Implementation of the proposed compensation system would utilize approximately \$685,000 of the proposed \$800,000 budgeted amount, and would have the following one-time financial impact:(Any change other than those resulting from the implementation of this proposed Classification and Compensation System, such as change or elimination of position, duties, and/or compensation will be administered according to SAHA's personnel policies)

ADJUSTMENT TO THE MINIMUM OF THE PAY RANGE:

Approximately 130 employees whose compensation is less than the proposed minimum salary in the Classification and Compensation System will be moved to the minimum of the proposed salary range of their position(s). The approximate cost of these adjustments is \$194,000.

ADJUSTMENT FOR TIME IN SERVICE (LONGEVITY ADJUSTMENT)

Approximately 109 employees compensation will be adjusted for "time in service" or "longevity," in the same position or duties. Many of SAHA's long-term employees are not presently being compensated in an equitable manner because their compensation has not kept pace or has not been adjusted to reflect their length of SAHA service. For example, a 20-year employee may be at step "A", while in reality they should be at Step "E". The affected employees compensation will be adjusted utilizing the following matrix:

- Step "A" – 0 to 3 years;
- Step "B" – 4 to 7 years;
- Step "C" – 8 to 11 years;
- Step "D" – 12 to 15 years;
- Step "E" – 16 or more years.

The cost of the time in service adjustments is approximately \$221,000.

CLOSEST STEP ADJUSTMENT

Approximately 273 employees will be affected by the “closest step” adjustment. Employees whose compensation is presently between steps in their particular compensation range will be moved to the nearest highest step on the date of their annual performance review. The cost of this adjustment is \$270,000.

COMPENSATION ABOVE THE MAXIMUM

Approximately 48 employees will be affected by the “compensation above the maximum” (Step “E”) adjustment. Approximately 36 of these employees will be within their compensation range within a 3-year period, given current market trends. However, the remaining 12 of these employees will need to promote upward, or their compensation will be reduced to the maximum salary range of their specific position after the 3-year period.

These employees’ compensation will be frozen, and they will not receive additional compensation, until such time as the range of compensation for their specific position is increased by any Board-approved cost of living adjustments, or subsequent changes in market compensation conditions.

PRESIDENT AND CEO COMPENSATION

There is no request concerning the President and CEO’s compensation. The President and CEO position is a contracted position, and your Board determines the salary for the President and CEO’s position separate and apart from the workforce compensation system. The position was only included in the Werling study to present comprehensive recommendations and in the Classification and Compensation System list to show relational comparisons. Your board and the President and CEO will discuss specific compensation for the President and CEO during the annual performance review process.

SUPPLEMENTARY COMMENTS:

ATTACHMENTS:

Classification and Compensation System, Exhibit A

FIVE STEP SALARY STRUCTURE - ALL GRADES

PAY GRADE	JOB TITLE	GRADE MIN STEP A	*STEP B	*STEP C	*STEP D	*STEP E	
1	Porter	\$ 1,542.67	\$ 1,620.67	\$ 1,702.13	\$ 1,787.07	\$ 1,877.20	Monthly
	Custodian	\$ 18,512.00	\$ 19,448.00	\$ 20,425.60	\$ 21,444.80	\$ 22,526.40	Annual
		\$ 8.90	\$ 9.35	\$ 9.82	\$ 10.31	\$ 10.83	Hourly
2	Porter, Senior	\$ 1,664.00	\$ 1,747.20	\$ 1,833.87	\$ 1,925.73	\$ 2,022.80	Monthly
	Custodian, Lead	\$ 19,968.00	\$ 20,966.40	\$ 22,006.40	\$ 23,108.80	\$ 24,273.60	Annual
	Customer Service Representative	\$ 9.60	\$ 10.08	\$ 10.58	\$ 11.11	\$ 11.67	Hourly
	Warehouse Assistant						
3	Administrative Specialist I	\$ 1,802.67	\$ 1,892.80	\$ 1,988.13	\$ 2,086.93	\$ 2,190.93	Monthly
	Financial Technician I	\$ 21,632.00	\$ 22,713.60	\$ 23,857.60	\$ 25,043.20	\$ 26,291.20	Annual
	Maintenance Technician	\$ 10.40	\$ 10.92	\$ 11.47	\$ 12.04	\$ 12.64	Hourly
	Refuse Collection Operator						
4	Financial Technician II	\$ 1,941.33	\$ 2,038.40	\$ 2,140.67	\$ 2,248.13	\$ 2,360.80	Monthly
	Purchasing Technician	\$ 23,296.00	\$ 24,460.80	\$ 25,688.00	\$ 26,977.60	\$ 28,329.60	Annual
		\$ 11.20	\$ 11.76	\$ 12.35	\$ 12.97	\$ 13.62	Hourly
5	Administrative Specialist II	\$ 2,010.67	\$ 2,111.20	\$ 2,216.93	\$ 2,327.87	\$ 2,444.00	Monthly
	Customer Service Representative, Lead	\$ 24,128.00	\$ 25,334.40	\$ 26,603.20	\$ 27,934.40	\$ 29,328.00	Annual
	Painter	\$ 11.60	\$ 12.18	\$ 12.79	\$ 13.43	\$ 14.10	Hourly
6	Administrative Specialist, Senior	\$ 2,166.67	\$ 2,275.87	\$ 2,390.27	\$ 2,509.87	\$ 2,634.67	Monthly
	Housing Assistance Specialist I	\$ 26,000.00	\$ 27,310.40	\$ 28,683.20	\$ 30,118.40	\$ 31,616.00	Annual
	Housing Quality Inspector	\$ 12.50	\$ 13.13	\$ 13.79	\$ 14.48	\$ 15.20	Hourly
	Security Officer (Uniform)						
	Senior Maintenance Technician						
7	Assistant Property Manager	\$ 2,340.00	\$ 2,457.87	\$ 2,580.93	\$ 2,709.20	\$ 2,844.40	Monthly
	Buyer	\$ 28,080.00	\$ 29,494.40	\$ 30,971.20	\$ 32,510.40	\$ 34,132.80	Annual
	Carpenter	\$ 13.50	\$ 14.18	\$ 14.89	\$ 15.63	\$ 16.41	Hourly
	Corporate Relations Coordinator						
	Housing Assistance Specialist II						
	Housing Quality Inspector, Lead						
	Welder						

PAY GRADE	JOB TITLE	GRADE MIN STEP A	*STEP B	*STEP C	*STEP D	*STEP E	
8	Boiler Mechanic	\$ 2,530.67	\$ 2,657.20	\$ 2,790.67	\$ 2,931.07	\$ 3,078.40	Monthly
	Buyer, Senior	\$ 30,368.00	\$ 31,886.40	\$ 33,488.00	\$ 35,172.80	\$ 36,940.80	Annual
	Capital Improvements Support Coordinator	\$ 14.60	\$ 15.33	\$ 16.10	\$ 16.91	\$ 17.76	Hourly
	Carpenter, Senior						
	Construction Inspector						
	Electrician						
	Fraud Investigator						
	Home Ownership Coordinator						
	Housing Assistance Specialist, Senior						
	HVAC Mechanic						
	PC Maintenance Technician I						
	Plumber						
	Quality Control Specialist						
Telephone/PC Support/WAN Tech I							
9	Accountant I	\$ 2,738.67	\$ 2,875.60	\$ 3,019.47	\$ 3,170.27	\$ 3,328.00	Monthly
	Corporate Communications Specialist	\$ 32,864.00	\$ 34,507.20	\$ 36,233.60	\$ 38,043.20	\$ 39,936.00	Annual
	Customer Service Supervisor	\$ 15.80	\$ 16.59	\$ 17.42	\$ 18.29	\$ 19.20	Hourly
	Human Resources Representative I						
	Investigative Unit Investigator						
	Paralegal						
	PC Maintenance Technician II						
	Property Manager I						
	Risk Specialist						
Telephone/PC Support/WAN Technician II							
10	Carpenter Supervisor	\$ 2,946.67	\$ 3,094.00	\$ 3,248.27	\$ 3,411.20	\$ 3,581.07	Monthly
	Housing Assistance Supervisor	\$ 35,360.00	\$ 37,128.00	\$ 38,979.20	\$ 40,934.40	\$ 42,972.80	Annual
	Housing Quality Inspections Manager	\$ 17.00	\$ 17.85	\$ 18.74	\$ 19.68	\$ 20.66	Hourly
	Investigative Unit Supervisor						
	Maintenance Supervisor						
	Management Analyst						
	Network Administrator						
	Police Department Liaison						
	Web Administrator/Graphic Designer						
Welding Supervisor							

PAY GRADE	JOB TITLE	GRADE MIN STEP A	*STEP B	*STEP C	*STEP D	*STEP E	
11	Accountant II	\$ 3,189.33	\$ 3,348.80	\$ 3,516.93	\$ 3,692.00	\$ 3,877.47	Monthly
	Electrician Supervisor	\$ 38,272.00	\$ 40,185.60	\$ 42,203.20	\$ 44,304.00	\$ 46,529.60	Annual
	Human Resources Representative II	\$ 18.40	\$ 19.32	\$ 20.29	\$ 21.30	\$ 22.37	Hourly
	HVAC Mechanic Supervisor						
	Legacy System Administrator						
	PC Support Manager						
	Plumber Supervisor						
	Property Manager II Real Estate Specialist						
12	Admissions Manager	\$ 3,449.33	\$ 3,622.67	\$ 3,804.67	\$ 3,995.33	\$ 4,194.67	Monthly
	Analyst I	\$ 41,392.00	\$ 43,472.00	\$ 45,656.00	\$ 47,944.00	\$ 50,336.00	Annual
	Audit Manager	\$ 19.90	\$ 20.90	\$ 21.95	\$ 23.05	\$ 24.20	Hourly
13	Accounting Supervisor, Transactions	\$ 3,726.67	\$ 3,913.87	\$ 4,109.73	\$ 4,316.00	\$ 4,532.67	Monthly
	Chief of Security	\$ 44,720.00	\$ 46,966.40	\$ 49,316.80	\$ 51,792.00	\$ 54,392.00	Annual
	Program Manager						
	Property Manager III	\$ 21.50	\$ 22.58	\$ 23.71	\$ 24.90	\$ 26.15	Hourly
14	Accounting Supervisor	\$ 4,021.33	\$ 4,222.40	\$ 4,433.87	\$ 4,655.73	\$ 4,888.00	Monthly
	Analyst II	\$ 48,256.00	\$ 50,668.80	\$ 53,206.40	\$ 55,868.80	\$ 58,656.00	Annual
	dotNet Programmer	\$ 23.20	\$ 24.36	\$ 25.58	\$ 26.86	\$ 28.20	Hourly
	Intergovernmental Relations Manager						
	LAN Administrator						
	Project Manager I						
	WAN/Telephone Administrator						
15	Accounting Supervisor, Senior	\$ 4,333.33	\$ 4,550.00	\$ 4,777.07	\$ 5,016.27	\$ 5,267.60	Monthly
	Assistant Human Resources Director	\$ 52,000.00	\$ 54,600.00	\$ 57,324.80	\$ 60,195.20	\$ 63,211.20	Annual
	Assistant Regional Manager	\$ 25.00	\$ 26.25	\$ 27.56	\$ 28.94	\$ 30.39	Hourly
	Director of Partnerships & Resource Development						
	Project Manager II						
	Trades Superintendent						
16	Emergency Preparedness Manager	\$ 4,680.00	\$ 4,914.00	\$ 5,160.13	\$ 5,418.40	\$ 5,688.80	Monthly
	Network Manager	\$ 56,160.00	\$ 58,968.00	\$ 61,921.60	\$ 65,020.80	\$ 68,265.60	Annual
		\$ 27.00	\$ 28.35	\$ 29.77	\$ 31.26	\$ 32.82	Hourly

PAY GRADE	JOB TITLE	GRADE MIN STEP A	*STEP B	*STEP C	*STEP D	*STEP E	
17	Accounting Manager	\$ 5,061.33	\$ 5,314.40	\$ 5,579.60	\$ 5,858.67	\$ 6,151.60	Monthly
	Asset Manager	\$ 60,736.00	\$ 63,772.80	\$ 66,955.20	\$ 70,304.00	\$ 73,819.20	Annual
	Regional Manager	\$ 29.20	\$ 30.66	\$ 32.19	\$ 33.80	\$ 35.49	Hourly
	Risk Manager						
18	Assistant Director of Assisted Housing Programs	\$ 5,460.00	\$ 5,733.87	\$ 6,019.87	\$ 6,321.47	\$ 6,636.93	Monthly
	Assistant Director of Real Estate Services	\$ 65,520.00	\$ 68,806.40	\$ 72,238.40	\$ 75,857.60	\$ 79,643.20	Annual
	Director Procurement & Facilities	\$ 31.50	\$ 33.08	\$ 34.73	\$ 36.47	\$ 38.29	Hourly
	JDE CNC Administrator						
19	Software Systems Manager	\$ 5,910.67	\$ 6,207.07	\$ 6,517.33	\$ 6,843.20	\$ 7,184.67	Monthly
		\$ 70,928.00	\$ 74,484.80	\$ 78,208.00	\$ 82,118.40	\$ 86,216.00	Annual
		\$ 34.10	\$ 35.81	\$ 37.60	\$ 39.48	\$ 41.45	Hourly
20	Assistant VP Finance & Accounting	\$ 6,378.67	\$ 6,697.60	\$ 7,032.13	\$ 7,384.00	\$ 7,753.20	Monthly
	Attorney	\$ 76,544.00	\$ 80,371.20	\$ 84,385.60	\$ 88,608.00	\$ 93,038.40	Annual
	Director Property Management & Maintenance	\$ 36.80	\$ 38.64	\$ 40.57	\$ 42.60	\$ 44.73	Hourly
	ITS Manager						
21	Director Human Resources	\$ 6,881.33	\$ 7,226.27	\$ 7,586.80	\$ 7,966.40	\$ 8,365.07	Monthly
	VP Corporate Relations	\$ 82,576.00	\$ 86,715.20	\$ 91,041.60	\$ 95,596.80	\$ 100,380.80	Annual
		\$ 39.70	\$ 41.69	\$ 43.77	\$ 45.96	\$ 48.26	Hourly
22	No position Assigned	\$ 7,436.00	\$ 7,808.67	\$ 8,198.67	\$ 8,609.47	\$ 9,039.33	Monthly
		\$ 89,232.00	\$ 93,704.00	\$ 98,384.00	\$ 103,313.60	\$ 108,472.00	Annual
		\$ 42.90	\$ 45.05	\$ 47.30	\$ 49.67	\$ 52.15	Hourly
23	VP Technology & Communication	\$ 8,042.67	\$ 8,444.80	\$ 8,867.73	\$ 9,311.47	\$ 9,777.73	Monthly
		\$ 96,512.00	\$ 101,337.60	\$ 106,412.80	\$ 111,737.60	\$ 117,332.80	Annual
		\$ 46.40	\$ 48.72	\$ 51.16	\$ 53.72	\$ 56.41	Hourly
24	VP Finance and Accounting	\$ 8,684.00	\$ 9,119.07	\$ 9,574.93	\$ 10,053.33	\$ 10,556.00	Monthly
	VP Housing Programs & Real Estate	\$ 104,208.00	\$ 109,428.80	\$ 114,899.20	\$ 120,640.00	\$ 126,672.00	Annual
	VP Property Management & Maintenance	\$ 50.10	\$ 52.61	\$ 55.24	\$ 58.00	\$ 60.90	Hourly
25	Chief Legal Officer	\$ 9,377.33	\$ 9,847.07	\$ 10,339.33	\$ 10,855.87	\$ 11,398.40	Monthly
	Senior VP Administration - Vacant	\$ 112,528.00	\$ 118,164.80	\$ 124,072.00	\$ 130,270.40	\$ 136,780.80	Annual
	Senior VP Operations - Vacant	\$ 54.10	\$ 56.81	\$ 59.65	\$ 62.63	\$ 65.76	Hourly
26	Chief of Staff - Vacant	\$ 10,122.67	\$ 10,628.80	\$ 11,160.93	\$ 11,719.07	\$ 12,304.93	Monthly
		\$ 121,472.00	\$ 127,545.60	\$ 133,931.20	\$ 140,628.80	\$ 147,659.20	Annual
		\$ 58.40	\$ 61.32	\$ 64.39	\$ 67.61	\$ 70.99	Hourly

PAY GRADE	JOB TITLE	GRADE MIN STEP A	*STEP B	*STEP C	*STEP D	*STEP E	
27	No position Assigned	\$ 10,937.33	\$ 11,485.07	\$ 12,058.80	\$ 12,662.00	\$ 13,294.67	Monthly
		\$ 131,248.00	\$ 137,820.80	\$ 144,705.60	\$ 151,944.00	\$ 159,536.00	Annual
		\$ 63.10	\$ 66.26	\$ 69.57	\$ 73.05	\$ 76.70	Hourly
28	No position Assigned	\$ 11,804.00	\$ 12,395.07	\$ 13,015.60	\$ 13,665.60	\$ 14,348.53	Monthly
		\$ 141,648.00	\$ 148,740.80	\$ 156,187.20	\$ 163,987.20	\$ 172,182.40	Annual
		\$ 68.10	\$ 71.51	\$ 75.09	\$ 78.84	\$ 82.78	Hourly
29	No position Assigned	\$ 12,740.00	\$ 13,377.87	\$ 14,046.93	\$ 14,748.93	\$ 15,485.60	Monthly
		\$ 152,880.00	\$ 160,534.40	\$ 168,563.20	\$ 176,987.20	\$ 185,827.20	Annual
		\$ 73.50	\$ 77.18	\$ 81.04	\$ 85.09	\$ 89.34	Hourly
30	President & Chief Executive Officer	\$ 13,762.67	\$ 14,450.80	\$ 15,173.60	\$ 15,932.80	\$ 16,730.13	Monthly
		\$ 165,152.00	\$ 173,409.60	\$ 182,083.20	\$ 191,193.60	\$ 200,761.60	Annual
		\$ 79.40	\$ 83.37	\$ 87.54	\$ 91.92	\$ 96.52	Hourly

* ASSUMES 5% SPREAD BETWEEN STEPS OR 20% SPREAD BETWEEN MINIMUM AND STEP E